



Common Interest Community Manager Regulations

Effective
November 13, 2008



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Richmond, Virginia 23233
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STATEMENT OF PURPOSE

This booklet contains the information you will need to obtain your common interest community manager license. The law that governs your profession is found in **Chapter 23.3 (§54.1-2345 et seq.) of Title 54.1 of the Code of Virginia**. That law permits the board to issue regulations that tell you more about what is expected of you in your profession. This booklet contains a copy of the regulations that you will need to know and with which you must comply in order to obtain and retain your license.

BE SURE TO READ AND UNDERSTAND THE STANDARDS OF CONDUCT AND PRACTICE. FAILURE TO COMPLY WITH THESE STANDARDS COULD RESULT IN A MONETARY PENALTY, THE LOSS OF YOUR LICENSE, OR OTHER DISCIPLINARY ACTION.

It is the goal of the Department of Professional and Occupational Regulation to provide the information you need to comply with the law and regulations. If you have a question and cannot find the answer in this booklet, please write to:

Common Interest Community Board
Department of Professional and Occupational Regulation
9960 Mayland Drive
Richmond, VA 23233

Or call the Agency at (804) 367-8500.

Or e-mail at cic@dpor.virginia.gov.

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EXCERPTS FROM THE CODE OF VIRGINIA:

§ 54.1-2345 et al

PART I GENERAL

18 VAC 48-50-10. Definitions.

Section 54.1-2345 of the Code of Virginia provides definitions of the following terms and phrases as used in this chapter:

“Association”
“Board”
“Common interest community”
“Common interest community manager”
“Declaration”
“Governing board”
“Lot”
“Management services”

The following words, terms, and phrases, when used in this chapter, shall have the following meaning unless the context clearly indicates otherwise.

“Address of record” means the mailing address designated by the regulant to receive notices and correspondence from the board. Notice mailed to the address of record by certified mail, return receipt requested, shall be deemed valid notice.

"Applicant" means a common interest community manager that has submitted an application for licensure.

“Application” means a completed, board-prescribed form submitted with the appropriate fee and other required documentation.

"Department" means the Virginia Department of Professional and Occupational Regulation.

"Firm" means a sole proprietorship, association, partnership, corporation, limited liability company, limited liability partnership, or any other form of business organization recognized under the laws of the Commonwealth of Virginia and properly registered, as may be required, with the Virginia State Corporation Commission.

“Full-time employee” means an employee who spends a minimum of 30 hours a week carrying out the work of the licensed common interest community manager.

“Gross receipts” means all revenue for management services excluding pass-through expenses or reimbursement of expenditures by the regulant on behalf of an association.

“Regulant” means a common interest community manager as defined in § 54.1-2345 of the Code of Virginia who holds a license issued by the Board.

"Reinstatement" means the process and requirements through which an expired license can be made valid without the regulant having to apply as a new applicant.

"Renewal" means the process and requirements for periodically approving the continuance of a license for another period of time.

“Responsible person” means the individual who shall be designated by each firm to ensure compliance with Chapter 23.3 (§ 54.1-2345 et seq.) of Title 54.1 of the Code of Virginia, and all regulations of the board, and to receive communications and notices from the board that may affect the firm. In the case of a sole proprietorship, the sole proprietor shall have the responsibilities of the responsible person.

“Sole proprietor” means any individual, not a corporation, who is trading under his own name, or under an assumed or fictitious name pursuant to the provisions of §§ 59.1-69 through 59.1-76 of the Code of Virginia.

PART II ENTRY

18 VAC 48-50-20. Application procedures.

All applicants seeking licensure shall submit an application with the appropriate fee specified in 18 VAC 48-50-70. Application shall be made on forms provided by the department.

By submitting the application to the department, the applicant certifies that the applicant has read and understands the applicable statutes and the board's regulations.

The receipt of an application and the deposit of fees by the board does not indicate approval by the board.

The board may make further inquiries and investigations with respect to the applicant's qualifications to confirm or amplify information supplied. All applications shall be completed in accordance with the instructions contained herein and on the application. Applications will not be considered complete until all required documents are received by the board.

A firm will be notified within 30 days of the board's receipt of an initial application if the application is incomplete. Firms that fail to complete the process within 12 months of receipt of the application in the board's office must submit a new application and fee.

18 VAC 48-50-30. Qualifications for licensure.

Firms that provide common interest community management services shall submit an application on a form prescribed by the board and shall meet the requirements set forth in § 54.1-2346 of the Code of Virginia, as well as the additional qualifications of this section.

- A. Any firm offering management services as defined in § 54.1-2345 of the Code of Virginia shall hold a license as a common interest community manager. All names under which the common interest community manager conducts business shall be disclosed on the application. The name under which the firm conducts business and holds itself out to the public (i.e., the trade or fictitious name) shall also be disclosed on the application. Firms shall register any trade or fictitious names with the State Corporation Commission or the clerk of court in the county or jurisdiction where the business is to be conducted in accordance with §§ 59.1-69 through 59.1-76 of the Code of Virginia before submitting an application to the board.
- B. The applicant shall disclose the firm's mailing address, the firm's physical address, and the address of the office from which the firm provides management services to Virginia common interest communities. A post office box is only acceptable as a mailing address when a physical address is also provided.

- C. In accordance with § 54.1-204 of the Code of Virginia, each applicant shall disclose the following information about the firm, the responsible person, and any of the principals of the firm:
1. All felony convictions.
 2. All misdemeanor convictions, in any jurisdiction, within three years of the date of application.
 3. Any plea of nolo contendere or finding of guilt regardless of adjudication or deferred adjudication shall be considered a conviction for the purposes of this section. The record of conviction certified or authenticated in such form as to be admissible in evidence under the laws of the jurisdiction where convicted shall be admissible as prima facie evidence of such guilt.
- D. The applicant shall submit evidence of a blanket fidelity bond or employee dishonesty insurance policy in accordance with § 54.1-2346(D) of the Code of Virginia. Proof of current bond or insurance policy must be submitted in order to obtain or renew the license. The bond or insurance policy must be in force no later than the effective date of the license and shall remain in effect through date of expiration of the license.
- E. The applicant shall be in compliance with the standards of conduct and practice set forth in Part V (18 VAC 48-50-140 et. seq.) of this chapter at the time of application, while the application is under review by the board, and at all times when the license is in effect.
- F. The applicant, the responsible person, and any principals of the firm shall be in good standing in every jurisdiction and with every board or administrative body where licensed, certified, or registered and the board, at its discretion, may deny licensure to any applicant who has been subject to, or whose principals have been subject to, any form of disciplinary action, including but not limited to, reprimand, revocation, suspension or denial, imposition of a monetary penalty, required to complete remedial education, or any other corrective action, in any jurisdiction or by any board or administrative body or surrendered a license, certificate, or registration in connection with any disciplinary action in any jurisdiction prior to applying for licensure in Virginia.
- G. The applicant shall provide all relevant information about the firm, the responsible person, and any of the principals of the firm for the seven (7) years prior to application on any outstanding, past-due debts and judgments; outstanding tax obligations; defaults on bonds; or pending or past bankruptcies, and specifically shall provide all relevant financial information related to providing management services as defined in § 54.1-2345 of the Code of Virginia.
- H. Applicants for licensure shall hold an active designation as an Accredited Association Management Company by the Community Associations Institute.

- I. In lieu of the provisions of subsection H, applicants who are unable to meet the requirements for designation as an Accredited Association Management Company by the Community Associations Institute may be licensed provided the applicant submits proof to the board that the applicant has at least one full-time supervisory employee or officer involved in all aspects of the management services offered and provided by the firm, and a majority of persons in a supervisory capacity meets one of the following:
 1. Holds an active designation as a Professional Community Association Manager and provides proof of having been actively engaged in providing management services for a period of 12 months immediately preceding application; or
 2. Holds an active designation as a Certified Manager of Community Associations by the National Board of Certification for Community Association Managers and provides proof of five years of experience in providing management services. Of the required five years experience, a minimum of 12 months of experience must have been gained immediately preceding application; or
 3. Holds an active designation as an Association Management Specialist and provides proof of five years of experience in providing management services. Of the required five years experience, a minimum of 12 months of experience must have been gained immediately preceding application; or
 4. Has completed a training program and certifying examination approved by the board.
- J. The firm shall designate a responsible person who is an employee of the firm.

18 VAC 48-50-40. Provisional licenses.

Provisional licenses shall be issued in accordance with § 54.1-2346(F) of the Code of Virginia to those applicants who meet the provisions of this chapter excluding subsections H and I of 18 VAC 48-50-30.

18 VAC 48-50-50. Application denial.

The board may refuse initial licensure due to an applicant's failure to comply with entry requirements or for any of the reasons for which the board may discipline a regulant. The board, at its discretion, may deny licensure to any applicant in accordance with § 54.1-204 of the Code of Virginia. The denial is considered to be a case decision and is subject to appeal under Chapter 40 of Title 2.2 of the Code of Virginia.

PART III FEES

18 VAC 48-50-60. General fee requirements.

All fees are nonrefundable and shall not be prorated. The date on which the fee is received by the department or its agent will determine whether the fee is on time. Checks or money orders shall be made payable to the Treasurer of Virginia.

18 VAC 48-50-70. Fee schedule.

Fee Type	Fee Amount	When Due
Initial Application*	\$125.00	With initial application filed on or after January 1, 2009
Provisional License Application*	\$275.00	With initial application filed on or before December 31, 2008
Renewal**	\$100.00	With renewal application
Reinstatement (includes a \$200 reinstatement fee in addition to the regular \$100 renewal fee)	\$300.00	With renewal application

*Includes a \$25.00 recovery fund assessment in accordance with § 55-530.1 of the Code of Virginia.

**The first renewal after the effective date of these regulations shall include a \$25.00 recovery fund assessment in accordance with § 55-530.1 of the Code of Virginia.

18 VAC 48-50-80. Annual assessment.

In addition to the fees listed above, each common interest community manager must submit an annual assessment in accordance with § 54.1-2349(A)(1) of the Code of Virginia. The annual assessment shall be submitted with the initial application and with each renewal application. Common interest community managers shall submit documentation of gross receipts for the preceding calendar year with each annual assessment.

Provisional licenses will be subject to the annual assessment for each year that the provisional license is in effect. Provisional licensees shall submit documentation of gross receipts for the preceding calendar year with each annual assessment. Failure to submit the annual assessment within 30 days of the request by the board shall result in the automatic suspension of the license.

**PART IV
RENEWAL AND REINSTATEMENT**

18 VAC 48-50-90. Renewal required.

A license issued under this chapter shall expire one year from the last day of the month in which it was issued. A fee shall be required for renewal. In accordance with § 54.1-2346(F) of the Code of Virginia, provisional licenses shall expire on June 30, 2011, and shall not be renewed.

18 VAC 48-50-100. Expiration and renewal.

- A. Prior to the expiration date shown on the license, licenses shall be renewed upon completion of the renewal application, submittal of proof of current bond or insurance policy as detailed in 18 VAC 48-50-30 D, and payment of the fees specified in 18 VAC 48-50-70 and 18 VAC 48-50-80. The board will mail a renewal notice to the regulant at the last known mailing address of record. Failure to receive this notice shall not relieve the regulant of the obligation to renew. If the regulant fails to receive the renewal notice, a copy of the license may be submitted with the required fees as an application for renewal. By submitting an application for renewal, the regulant is certifying continued compliance with the Standards of Conduct and Practice in Part V (18 VAC 48-50-140 et. seq.) of this chapter.
- B. Applicants for renewal shall continue to meet all of the qualifications for licensure set forth in 18 VAC 48-50-30.

18 VAC 48-50-110. Reinstatement required.

- A. If the requirements for renewal of a license, including receipt of the fees by the board and submittal of proof of current bond or insurance policy as detailed in 18 VAC 48-50-30 D, are not completed within 30 days of the license expiration date, the regulant shall be required to reinstate the license by meeting all renewal requirements and by paying the reinstatement fee specified in 18 VAC 48-50-70.
- B. A license may be reinstated for up to six months following the expiration date. After six months, the license may not be reinstated under any circumstances and the regulant must meet all current entry requirements and apply as a new applicant.
- C. Any regulated activity conducted subsequent to the license expiration date may constitute unlicensed activity and be subject to prosecution under Chapter 1 (§ 54.1-100 et seq.) of Title 54.1 of the Code of Virginia.

18 VAC 48-50-120. Status of license during the period prior to reinstatement.

A regulant who applies for reinstatement of a license shall be subject to all laws and regulations as if the regulant had been continuously licensed. The regulant shall remain under and be subject to the disciplinary authority of the board during this entire period.

18 VAC 48-50-130. Board discretion to deny renewal or reinstatement.

The board may deny renewal or reinstatement of a license for the same reasons as it may refuse initial licensure or discipline a current regulant.

The board may deny renewal or reinstatement of a license if the regulant has been subject to a disciplinary proceeding and has not met the terms of an agreement for licensure, has not satisfied all sanctions, or has not fully paid any monetary penalties and costs imposed by the board.

PART V
STANDARDS OF CONDUCT AND PRACTICE

18 VAC 48-50-140. Grounds for disciplinary action.

The board may place a regulant on probation, impose a monetary penalty in accordance with § 54.1-2351.H of the Code of Virginia, or revoke, suspend or refuse to renew any license when the regulant has been found to have violated or cooperated with others in violating any provisions of the regulations of the board or Chapter 23.3 (§ 54.1-2345 et seq.) of Title 54.1 of the Code of Virginia.

18 VAC 48-50-150. Maintenance of license.

- A. No license issued by the board shall be assigned or otherwise transferred.
- B. A regulant shall report, in writing, all changes of address to the board within 30 days of the change and shall return the license to the board. In addition to the address of record, a physical address is required for each license. If the regulant holds more than one license, certificate, or registration, the regulant shall inform the board of all licenses, certificates, and registrations affected by the address change.
- C. Any change in any of the qualifications for licensure found in 18 VAC 48-50-30 shall be reported to the board within 30 days of the change.
- D. Notwithstanding the provisions of 18 VAC 48-50-150 C, a regulant shall report the cancellation, amendment, expiration, or any other change of any bond or insurance policy submitted in accordance with 18 VAC 48-50-30 D within five days of the change.

18 VAC 48-50-160. Maintenance and management of accounts.

Regulants shall maintain all funds from associations in accordance with § 54.1-2353 A of the Code of Virginia. Funds that belong to others that are held as a result of the fiduciary relationship shall be labeled as such to clearly distinguish funds that belong to others from those of the common interest community manager's funds.

18 VAC 48-50-170. Change of business entity requires a new license.

- A. Licenses are issued to firms as defined in this chapter and are not transferable. Whenever the legal business entity holding the license is dissolved or altered to form a new business entity, the license becomes void and shall be returned to the board within 30 days of the change. Such changes include but are not limited to:
 - 1. Cessation of the business or the voluntary termination of a sole proprietorship or general partnership;
 - 2. Death of a sole proprietor;

3. Formation, reformation, or dissolution of a general partnership, limited partnership, corporation, limited liability company, association, or any other business entity recognized under the laws of the Commonwealth of Virginia; or
 4. The suspension or termination of the corporation's existence by the State Corporation Commission.
- B. When a new firm is formed, the new firm shall apply for a new license, on a form provided by the board, before engaging in any activity regulated by Chapter 23.3 (§ 54.1-2345 et seq.) of Title 54.1 of the Code of Virginia or the regulations of the board.

18 VAC 48-50-180. Notice of adverse action.

Regulants shall notify the board of the following actions:

- A. Any disciplinary action taken by another jurisdiction, board, or administrative body of competent jurisdiction, including but not limited to any reprimand, license revocation, suspension or denial, monetary penalty, or requirement for remedial education or other corrective action.
- B. Any voluntary surrendering of a license, certificate, or registration done in connection with a disciplinary action in another jurisdiction.
- C. Any conviction, finding of guilt, or plea of guilty, regardless of adjudication or deferred adjudication, of any felony or of any misdemeanor in any jurisdiction. Any plea of nolo contendere shall be considered a conviction for the purpose of this section.

The notice must be made to the board in writing within 30 days of the action. A copy of the order or other supporting documentation must accompany the notice. The record of conviction, finding, or case decision shall be considered prima facie evidence of a conviction or finding of guilt.

18 VAC 48-50-190. Prohibited acts.

The following acts are prohibited and any violation may result in disciplinary action by the board:

- A. Violating, inducing another to violate, or cooperating with others in violating any of the provisions of any of the regulations of the board or Chapter 23.3 (§54.1-2345 et seq.) of Title 54.1 of the Code of Virginia, Chapter 4.2 (§ 55-79.39 et seq.) of Title 55 of the Code of Virginia, Chapter 24 (§ 55-424 et seq.) of Title 55 of the Code of Virginia, Chapter 26 (§ 55-508 et seq.) of Title 55 of the Code of Virginia, or Chapter 29 (§ 55-528 et seq.) of Title 55 of the Code of Virginia, or engaging in any acts enumerated in §§ 54.1-102 and 54.1-111 of the Code of Virginia.
- B. Allowing the common interest community manager license to be used by another.

- C. The firm or any principals of the firm having been convicted, found guilty, or disciplined in any jurisdiction of any offense or violation enumerated in 18 VAC 48-50-180 of this section.
- D. Failing to inform the board in writing within 30 days that the firm or any principals of the firm was convicted, found guilty, or disciplined in any jurisdiction of any offense or violation enumerated in 18 VAC 48-50-180 of this section.
- E. Failing to report a change as required by 18 VAC 48-50-150, 18 VAC 48-50-160, or 18 VAC 48-50-170.
- F. The intentional and unjustified failure to complete work contracted for or agreed upon.
- G. The intentional and unjustified failure to comply with the terms of the contract, operating agreement, or governing documents.
- H. Obtaining or attempting to obtain a license by false or fraudulent representation, or maintaining, renewing, or reinstating a license by false or fraudulent representation.
- I. Engaging in improper, dishonest, or fraudulent conduct in providing management services.
- J. Failing to satisfy any judgments or restitution orders entered by a court or arbiter of competent jurisdiction.
- K. Negligence or incompetence in the practice of the profession or occupation.
- L. The retention or misapplication of funds paid for which work is either not performed or performed only in part.
- M. Failing to handle association funds in accordance with the provisions of § 54.1-2353(A) or 18 VAC 48-50-160.
- N. Failing to account in a timely manner for all money and property received by the regulant in which the association has or may have an interest.
- O. Failing to disclose to the association material facts related to the association's property or concerning management services of which the regulant has actual knowledge.
- P. Failing to provide complete records related to the association's management services to the association within 30 days of any request by the association or within 30 days of the termination of the contract.
- Q. Commingling the funds of any association by a principal, his employees, or his associates with the principal's own funds, or those of his firm.

- R. Failing to act in a manner that safeguards the interests of the public.
- S. Failing to make use of a legible written contract clearly specifying the terms and conditions of the management services to be performed by the common interest community manager. The contract shall include, but not be limited to, the following:
 - a. Beginning and ending dates of the contract;
 - b. Cancellation rights of the parties;
 - c. Records retention and distribution policy;
 - d. A general description of the records to be kept and the bookkeeping system to be used; and
 - e. The common interest community manager's license number.

Prior to commencement of the terms of the contract or acceptance of payments, the contract shall be signed by the regulant and the client or the client's authorized agent.

18 VAC 48-50-200. Response to inquiry and provision of records.

- A. A regulant must respond within 10 days to the board or any of its agents regarding any complaint filed with the department.
- B. Unless otherwise specified by the board, a regulant of the board shall produce to the board or any of its agents within 10 days of the request any document, book, or record concerning any transaction in which the regulant was involved, or for which the regulant is required to maintain records for inspection and copying by the board or its agents. The board may extend such time frame upon a showing of extenuating circumstances prohibiting delivery within such 10-day period.
- C. A regulant shall not provide a false, misleading, or incomplete response to the board or any of its agents seeking information in the investigation of a complaint filed with the board.
- D. A regulant must respond to an inquiry by the board or its agents, other than requested under 18 VAC 48-50-200 A or 18 VAC 48-50-200 B, within 21 days.